

AR28

15




ANNUAL REPORT

OCTOBER 31st 1966



THE INDUSTRIAL MORTGAGE
AND TRUST COMPANY



Digitized by the Internet Archive
in 2023 with funding from
University of Alberta Library

https://archive.org/details/Indu1465_1966



**THE INDUSTRIAL MORTGAGE
AND TRUST COMPANY**

Established 1889

77th

ANNUAL REPORT

OCTOBER 31st 1966

**Head Office
SARNIA, ONTARIO**

BOARD OF DIRECTORS

* CALVERT M. CARRUTHERS, M.D., F.R.C.S.,
Sarnia, Ontario.

* HARRISON COREY,
Petrolia, Ontario.

* GREGORY A. HOGAN, K.S.G.,
Sarnia, Ontario.

C. HOWARD HUETWICH,
Forest, Ontario.

* ROBERT McCUBBIN,
Strathroy, Ontario.

HERBERT S. MATTHEWS,
Sarnia, Ontario.

* W. LOGAN MILLMAN, Q.C.,
Sarnia, Ontario.

JOHN H. MOFFAT,
Watford, Ontario.

* GEORGE W. PARKER,
Sarnia, Ontario.

* GORDON R. SCARROW, M.D.,
Sarnia, Ontario.

STANLEY WILK,
Sarnia, Ontario.

* ROGER A. WILSON,
Sarnia, Ontario.

* *Member Executive Committee*

OFFICERS

PRESIDENT AND MANAGING DIRECTOR

W. Logan Millman, Q.C.

VICE-PRESIDENTS

Roger A. Wilson

George W. Parker

Harrison Corey

TREASURER AND MANAGER — SARNIA OFFICE

Irwin S. Fraser

SECRETARY

John P. Cowan

MORTGAGE DEPARTMENT

John P. Cowan - Manager

N. D. Harkas - Assist. Manager

ESTATES AND TRUST
DEPARTMENT

W. Ray Oliver - Manager

R. W. Morpew - Trust Officer

ASSISTANT TREASURER

C. W. Aberhart, C.A.

BRANCH OFFICES

FOREST, Ontario

Harold L. Rivers - Manager

D. McGregor - Assist. Manager

PETROLIA, Ontario

James C. Hunter - Manager

Jas. Hibbert - Assist. Manager

STRATHROY, Ontario

Ronald W. Bell - Manager

SOLICITORS

Cowan, Millman, Higgins, Crozier and Heath

AUDITORS

Campbell, Lawless & Punchard

HEAD OFFICE 197 N. Front Street, SARNIA, Ontario

**TO THE SHAREHOLDERS,
THE INDUSTRIAL MORTGAGE
AND TRUST COMPANY:**

It is my pleasure, on behalf of the Board of Directors, to submit the 77th Annual Report of your Company including the financial statements for the fiscal year ended 31st October, 1966, and the Auditors' Report thereon.

Once again we are able to report further progress, with growth in all departments.

The Savings and Deposits Accounts and Guaranteed Investment Certificates increased by \$3,785,456.

Our investments in mortgage loans increased slightly over \$1,000,000. We feel that our mortgage portfolio is in excellent condition with its increase being after substantial repayments of principal. In addition, many new mortgage applications are presently being processed. It might be mentioned that it has been the policy of the Company for many years to treat mortgage interest collections on a cash basis only and no unpaid interest is taken into earnings.

During the year our holdings in bonds and shares were increased by \$1,201,664. Substantial investments are held in Dominion, Provincial, Municipal and Corporation bonds, as in the past, and, to a lesser extent, in Preferred and Common shares. We consider these to be excellent investments as well, the total market value of all of the bonds and shares at the year ending being \$7,379,234.

The profits for the year also showed an increase to \$146,576 from \$137,319 and, after the declaration of dividends totalling 75 cents per share, the amount of \$32,414 was carried forward to the Profit and Loss account, increasing this to \$199,655.

A further increase of \$1,214,144 in the assets under the administration and control of the Estates, Trusts and Agencies Department will be noted as well.

During the year Mr. Herbert S. Matthews and Mr. C. Howard Huctwith joined the Board. Mr. Matthews is a merchant in Sarnia and Mr. Huctwith resides in Forest where he conducts a large farming operation and other business interests. Mr. William D. MacKenzie, of Forest, expressed a desire to retire for reasons of health, and we express our appreciation for his many years of service as a Director.

Other changes took place in the administrative staff following the retirement of Mr. David M. Rose as General Manager. Mr. Rose had been with the Company for forty-three years during the period of its growth, particularly in the last few years. W. L. Millman was appointed Managing Director as well as President. Mr. Irwin S. Fraser became Treasurer and Manager of the Sarnia Office. Mr. John P. Cowan assumed the duties of Secretary, as well as remaining Manager of the Mortgage Department. Mr. W. Ray Oliver is now the Manager of the Estates, Trusts and Agencies and Mr. C. W. Aberhart, C.A. - the Assistant Treasurer.

At the present time renovations and additions are being made to the Petrolia office and we feel that these will benefit our many customers in that area and afford the proper facilities for the staff.

We have recently acquired a site in the City of Sarnia at Cathcart and Colborne Roads and plans are well advanced for the construction of a new branch. We are confident that this will be of benefit to our many customers and your Company.

Once again we wish to express appreciation to all members of the staff, whose conscientious efforts have made the continued success of your Company possible.

As stated a year ago, we believe your Company to be in a very strong position and able to look forward to continued growth in its field.

Sarnia, Ontario, the 24th of November, 1966.

W. L. Millman, Q.C.,
President & Managing Director.

THE INDUSTRIAL MORTGAGE

Capital and C

BALANCE

October

with comparative figures

ASSETS

	October 31, 1966	October 31, 1965
Mortgages and Agreements for Sale, Principal, less reserve	\$21,971,013	\$20,985,425
Loans on stocks and bonds Principal, less reserve	517,284	478,360
Dominion and Provincial government bonds	5,811,411	4,716,277
(at amortized book value which is greater than market value)		
Canadian municipal bonds	439,689	501,006
Other bonds	951,142	887,895
Preferred and common shares	415,539	310,939
(municipal bonds, other bonds and shares have a market value in excess of book value shown)		
Chartered Bank - term deposit	1,000,000	
Cash on hand and in banks	1,341,736	859,641
Office premises and equipment, less depreciation	373,838	333,970
Loans to Estates, Trusts and Agencies....	54,527	43,244
Other assets	106,317	38,467
	<u>\$32,982,496</u>	<u>\$29,155,224</u>
Estates, Trusts and Agency funds.....	9,196,338	7,982,194
	<u>9,196,338</u>	<u>7,982,194</u>
	<u><u>\$42,178,834</u></u>	<u><u>\$37,137,418</u></u>

W. LOGAN MILLMAN, Q.C.
President

IRWIN S. FRASER
Treasurer

THE INDUSTRIAL MORTGAGE AND TRUST COMPANY

Guaranteed Funds

BALANCE SHEET

As at, 1966

As at October 31st, 1965

LIABILITIES

	October 31, 1966	October 31, 1965
GUARANTEED ACCOUNT		
Trust deposits and interest	\$10,335,208	\$ 9,841,152
Guaranteed Investment Certificates and interest	20,727,758	17,436,359
Provision for income taxes and other liabilities	57,909	48,506
Dividend payable, January 2, 1967....	60,886	60,886
CAPITAL		
Capital Stock		
Authorized - 200,000 shares, par value \$5 each		
Issued and fully paid 152,216 shares	761,080	761,080
Reserve fund	840,000	840,000
Balance - Profit and Loss Account....	199,655	167,241
	<u>1,800,735</u>	<u>1,768,321</u>
	\$32,982,496	\$29,155,224
Estates, Trust and Agencies		
Funds	9,141,811	7,938,950
Loans from Company Funds	54,527	43,244
	<u>9,196,338</u>	<u>7,982,194</u>
	<u>\$42,178,834</u>	<u>\$37,137,418</u>

To the Shareholders,

The Industrial Mortgage and Trust Company:

We have examined the balance sheet of The Industrial Mortgage and Trust Company as at October 31, 1966. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

The assets held for guaranteed account and for estates, trusts and agencies are segregated from the company's own assets and are designated on the books of the company to show the accounts to which they belong.

In our opinion, the accompanying balance sheet presents fairly the financial position of the company as at October 31, 1966.

Toronto, Ontario, November 23, 1966.

CAMPBELL, LAWLESS and PUNCHARD
Chartered Accountants.

THE INDUSTRIAL MORTGAGE AND TRUST COMPANY
STATEMENT OF EARNINGS

For the year ended October 31, 1966

	1966	1965
INCOME FROM OPERATIONS		
Interest on mortgages, agreements and loans	\$1,627,219	\$1,402,645
Income from bonds and stocks investments	344,916	332,552
Other income	125,118	94,646
	<u>2,097,253</u>	<u>1,829,843</u>
EXPENSES OF OPERATIONS		
Interest on trust deposits and Guaranteed Investment Certificates	1,289,356	1,074,293
Salaries and benefits	241,960	215,331
Other management expenses	182,980	207,307
Depreciation	23,506	23,579
	<u>1,737,802</u>	<u>1,520,510</u>
Net Earnings carried to Statement of Profit and Loss	<u>\$ 359,451</u>	<u>\$ 309,333</u>

STATEMENT OF PROFIT AND LOSS

Net Earnings for the year	\$ 359,451	\$ 309,333
Less provision for income taxes attributable to above profit	<u>176,875</u>	<u>139,374</u>
Net Operating Profit for the year.....	182,576	169,959
Add:		
Reduction in income taxes resulting from transfer to Mortgage Reserve..	39,000	35,360
Premium received on sale of shares....		201,728
To which was added the balance of Profit and Loss Account at the begin- ning of the year	<u>167,241</u>	<u>147,356</u>
	<u>388,817</u>	<u>554,403</u>
From which the following appropriations were made:		
Transfer to Reserve for Mortgages.....	75,000	68,000
Transfer to General Reserve		205,000
Two half-yearly Dividends @ 7% each payable on July 4, 1966 and January 2, 1967	106,552	106,552
Extra Dividend @ 1% payable on January 2, 1967	7,610	7,610
Balance carried forward in Profit and Loss Account	<u>199,655</u>	<u>167,241</u>
	<u>\$ 388,817</u>	<u>\$ 554,403</u>

SCOPE OF SERVICES

SAVINGS ACCOUNTS

3% — interest paid on minimum quarterly balances compounded half-yearly; chequing privileges.

DEPOSIT ACCOUNTS

4% — interest paid on Special Deposit Accounts compounded half-yearly on minimum monthly balances. Withdrawals, without notice, in person or by mail.

CHRISTMAS CLUB ACCOUNTS

3% — interest paid on Christmas Club accounts, systematic saving by weekly deposits. Cheques mailed December 1st.

GUARANTEED INVESTMENT CERTIFICATES

(An ideal investment for security and high return and a legal investment for Trustees, Corporations and individuals.)

6% — interest currently paid on terms of 3, 4 and 5 years.

6 $\frac{1}{4}$ % — interest currently paid on terms of 2 years.

6 $\frac{1}{2}$ % — interest currently paid on terms of 1 year.

(All terms on amounts of \$100.00 to \$100,000.00. Larger amounts subject to negotiation.)

SAFETY DEPOSIT FACILITIES

Safety Deposit Boxes are available for rent, at all our branches.

SAFEKEEPING FACILITIES

We act as custodian of investment securities. No charge is made for the safekeeping of Company's own certificates.

MORTGAGES

We lend money on the security of first mortgages on residential, farm and other approved types of properties at current rates of interest.

COLLATERAL LOANS

Collateral Loans may be made against negotiable securities.

SCOPE OF SERVICES - Continued

ESTATE PLANNING

Corporate administration to assist in the orderly arrangement of your personal and business affairs expressed in the form of a Will or Trust agreement.

ESTATE EXECUTOR & TRUSTEE ADMINISTRATION

Our services offer all the advantages of experienced Corporate administration as Executor under Wills or as Administrator under court appointment; affording financial responsibility, permanency and up to date accounting at no extra cost.

ESTATE MANAGEMENT

Management of property and investments by experienced officers of our Company effects savings.

OTHER SERVICES

Trustee for Insurance Trusts, Endowment Funds and Corporation Bond issues, Transfer Agent and Registrar of Share Certificates and Escrow Agents.

INVESTMENT FUNDS

The Industrial Mortgage and Trust Company "Equity Fund" and "Fixed Income Fund".

"EQUITY FUND" OR "FIXED INCOME FUND"

To provide a method of investing for persons of every income level. You may invest in either or both funds or switch back and forth. There is no sales commission or termination charge.

PERSONAL RETIREMENT SAVINGS PLAN

A means whereby individuals may secure Income Tax savings while planning for future income on retirement.

THE INDUSTRIAL MORTGAGE AND TRUST COMPANY

1889 - 1966

	Deposits and Certificates	Total Assets
1890	\$ 100,799.00	\$ 202,389.00
1900	555,581.00	1,032,994.00
1910	1,065,784.00	1,784,051.00
1920	1,681,371.00	2,768,209.00
1930	2,767,537.00	4,416,147.00
1940	3,609,847.00	5,783,015.00
1950	7,142,938.00	9,435,070.00
1960	14,959,788.00	20,935,810.00
1961	16,138,874.00	22,927,345.00
1962	19,221,230.00	26,825,660.00
1963	20,860,300.00	28,432,880.00
1964	23,296,980.00	31,683,610.00
1965	27,277,511.00	37,137,418.00
1966	31,062,966.00	42,178,834.00



NOTICE of ANNUAL and SPECIAL GENERAL MEETING of SHAREHOLDERS

The Annual and Special General Meeting of the shareholders of The Industrial Mortgage and Trust Company will be held at the Head Office of the Company at 197 Front Street North, Sarnia, on

TUESDAY, DECEMBER 17th, 1963.
at two o'clock in the afternoon

- (1) for the purpose of considering the financial statement of the Company.
- (2) To consider and if thought advisable, to adopt and ratify, with such amendment or variation as may be approved at the meeting, By-Law Number 61 of the Company passed by the Directors on the 3rd day of December, 1963, a copy of which is enclosed hereto and forms part of this Notice.
- (3) For the election of Directors.
- (4) For the appointment of Auditors.
- (5) For the transaction of such other business as may properly be brought before the meeting.

B. CHARLTON,
General Manager and Secretary.

Shareholders who are unable to be present at the meeting are requested to sign the enclosed form of proxy and to forward the same to the Secretary of the Company without delay (no postage is required if mailed in Canada) in order that their shares may be regularly voted at the meeting.

BOARD OF DIRECTORS

JOHN COWAN, Q.C.,President	SARNIA	ROGER A. WILSON	SARNIA
HOMER J. LOCKHART,.....Vice-President	SARNIA	CHARLES HAZZARD	WALLACEBURG
WILLIAM D. FERGUSON,....Vice-President	SARNIA	CALVERT M. CARRUTHERS, M.D., F.R.C.S.	SARNIA
W. LOGAN MILLMAN, Q.C., Vice-President	SARNIA	HARRISON COREY	PETROLIA
WILLIAM D. MACKENZIE	FOREST	GREGORY A. HOGAN, K.S.G.	SARNIA
JOHN H. MOFFATT	WATFORD	STANLEY WILK	SARNIA
GEORGE W. PARKER	SARNIA	GORDON R. SCARROW, M.D.	SARNIA

SOLICITORS

COWAN, MILLMAN, HIGGINS and CROZIER

AUDITORS

CAMPBELL, LAWLESS and PUNCHARD

BANKERS

THE ROYAL BANK OF CANADA
THE TORONTO-DOMINION BANK
CANADIAN IMPERIAL BANK
OF COMMERCE
BANK OF MONTREAL

To The Shareholders

The Industrial Mortgage and Trust Company

Your Directors are pleased to submit the 74th Annual Report showing the result of the operations of the Company for the year ended October 31st, 1963, together with a statement of Assets and Liabilities and the Auditors' Certificate.

You may recall that the 1962 statement covered a period of ten months from January 1st to October 31st, following the change in the date of the ending of the Company's fiscal year.

	1963 (12 months)	1962 (10 months)
Net Earnings for the year, following payment of interest on Deposits and Guaranteed Investment Certificates, together with Management Expenses, including contributions to the Staff Pension Fund, and after providing for depreciation on Office Premises and Equipment and for payment of Dominion and Provincial Income Taxes, and after the usual appropriation to reserve for mortgage investments, were	\$ 92,212	\$ 76,905
To which was added the balance of Profit and Loss Account at the beginning of the period	115,068	101,663
	<u>\$207,280</u>	<u>\$178,568</u>
From which the following appropriations were made: Two half-yearly Dividends @ 6% payable on each of July 2nd, 1963, and January 2nd, 1964	76,200	63,500
Balance carried forward in Profit and Loss Account	131,080	115,068
	<u>\$207,280</u>	<u>\$178,568</u>

The Company's Earnings show a very successful year and Dividends have been increased from 10% to 12% on the \$50.00 par value of its shares, including the half-yearly dividend @ 6% (\$3.00 per share) payable on January 2, 1964.

Increases are shown in customers' Savings deposits and Guaranteed Investment Certificates (term deposits) – and which, when invested, show an increase in mortgages, bond investments and total assets.

Your Directors have enacted By-law number 61, a copy of which is enclosed and which will be submitted to the shareholders for approval at the Special General Meeting being held in conjunction with the Regular Annual Meeting. This By-law authorizes the subdivision of each present capital share having a par value of \$50.00, into ten shares having a par value of \$5.00 each.

Your Directors wish again to express to all shareholders and customers their appreciation for their kindly interest in the growth of the Company, and also to the management and staff for the efficient and friendly service provided throughout the year.

All of which is respectfully submitted.

Sarnia, Ontario, December 4th, 1963.

JOHN COWAN, Q. C., President.

THE INDUSTRIAL MORTGAGE AND TRUST COMPANY

Capital and Guaranteed Funds

BALANCE SHEET

October 31st, 1963

<i>Assets</i>	October 31, 1963	October 31, 1962
Mortgages and Agreements for Sale, Principal, less reserve	\$13,461,247	\$12,151,515
Loans on stocks and bonds	368,124	357,800
Dominion and Provincial government bonds	5,904,227	5,070,382
Canadian municipal bonds	394,981	268,710
Other bonds	1,049,029	1,017,380
Preferred and Common shares	407,297	427,396
Cash on hand and in banks	423,694	1,027,811
Office premises and equipment, less depreciation	290,664	286,019
Loans to Estates, Trusts and Agencies	25,224	27,936
Other assets	15,122	37,397
	<u>22,339,609</u>	<u>20,672,346</u>
Estates, Trusts and Agency funds	6,093,271	6,153,314
	<u>\$28,432,880</u>	<u>\$26,825,660</u>
 <i>Liabilities</i>		
<i>Guaranteed Account</i>		
Trust deposits and interest	8,487,214	7,861,389
Guaranteed Investment Certificates and interest	12,373,086	11,359,841
Provision for income taxes and other liabilities.....	40,129	34,298
 <i>Capital</i>		
Capital Stock		
Authorized—20,000 shares, par value \$50 each		
Issued and fully paid,		
12,700 shares	635,000	635,000
Reserve fund	635,000	635,000
Dividend payable, January 2, 1964	38,100	31,750
Balance-Profit and Loss account	131,080	115,068
	<u>22,339,609</u>	<u>20,672,346</u>
Estates, Trusts and Agencies		
Funds	6,068,047	6,125,378
Loans from Company Funds	25,224	27,936
	<u>6,093,271</u>	<u>6,153,314</u>
	<u>\$28,432,880</u>	<u>\$26,825,660</u>
 JOHN COWAN, Q. C. President		
 B. CHARLTON General Manager		

To the Shareholders:

The Industrial Mortgage and Trust Company:

We have examined the balance sheet of The Industrial Mortgage and Trust Company as at October 31, 1963. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

The assets held for guaranteed account and for estates, trusts and agencies are segregated from the company's own assets and are designated on the books of the company to show the accounts to which they belong.

In our opinion, the accompanying balance sheet presents fairly the financial position of the company as at October 31, 1963.

Toronto, Ontario, November 29, 1963.

CAMPBELL, LAWLESS and PUNCHARD,
Chartered Accountants.

36ms
of file

Seventy-Fourth

ANNUAL REPORT

October 31st, 1963

The Industrial Mortgage and Trust Company

ESTABLISHED 1889

HEAD OFFICE

SARNIA, ONTARIO

OFFICES AT

FOREST, ONTARIO

PETROLIA, ONTARIO

1889 - 1963

	Deposits and Certificates	Total Assets
1890	\$ 100,799.00	\$ 202,389.00
1900	555,581.00	1,032,994.00
1910	1,065,784.00	1,784,051.00
1920	1,681,371.00	2,768,209.00
1930	2,767,537.00	4,416,147.00
1940	3,609,847.00	5,783,015.00
1950	7,142,938.00	9,435,070.00
1957	11,537,178.00	16,504,058.00
1958	12,690,369.00	16,949,894.00
1959	13,292,060.00	18,767,642.00
1960	14,959,788.00	20,935,810.00
1961	16,138,874.00	22,927,345.00
1962	19,221,230.00	26,825,660.00
1963	20,860,300.00	28,432,880.00

THE INDUSTRIAL MORTGAGE AND TRUST COMPANY

BY-LAW NUMBER 61

WHEREAS the authorized capital stock of the company is \$1,000,000.00, divided into 20,000 shares of \$50.00 each, of which 12,700 shares are issued and outstanding.

AND WHEREAS by Section 58 of The Loan and Trust Corporations Act of Ontario, the company may by By-law provide that the shares be subdivided or the par value be altered, subject to certain laws and conditions set out in the said Act;

BE IT THEREFORE ENACTED as a By-law of The Industrial Mortgage and Trust Company, subject to adoption and ratification by at least two-thirds of the votes cast at a special general meeting of shareholders duly called for considering the By-law and subject to confirmation thereafter by the Lieutenant Governor in Council that:

1. The company is hereby authorized to provide and does hereby provide that the capital stock of the company be divided into shares of \$5.00 each, so that the authorized capital of the company will then consist of \$1,000,000.00 divided into 200,000 shares of \$5.00 each, of which 127,000 shares will be issued and outstanding.
2. Subject as aforesaid, it is further provided that the share register of the company be amended so that for each of the 12,700 shares of \$50.00 issued and outstanding, there shall be credited to the holder thereof ten shares of \$5.00 each, and that certificates for the shares held by the shareholders of the company after giving effect to the said amendment be issued accordingly.

PASSED by the Directors of The Industrial Mortgage and Trust Company, this 3rd day of December, 1963.

